



8. On December 2, 2022, pursuant to 10 C.F.R. § 429.124(c), DOE referred this case to an Administrative Law Judge (“ALJ”) by filing a Complaint with the DOE Office of Hearings and Appeals (“OHA”) and serving the Complaint on Respondent Chigo USA.<sup>1</sup>
9. On February 27, 2023, pursuant to Section 13 of DOE’s Procedures for Administrative Adjudication of Civil Penalty Actions, DOE filed an Amended Complaint with the OHA to add Guangdong Chigo Air Conditioning Co. Ltd. (“Respondent Guangdong Chigo”) and served the Amended Complaint on both Respondent Chigo USA and Respondent Guangdong Chigo.
10. On August 8, 2023, the ALJ issued an Initial Decision in which the ALJ found that Respondent Guangdong Chigo was jointly and severally liable for Respondent Chigo USA’s acts; both Respondents distributed in commerce in the United States a covered product, specifically dehumidifiers, that did not comply with the applicable energy conservation standard; and both Respondents failed to test those dehumidifiers for compliance with the applicable energy conservation standards. The ALJ also found that the Respondents are liable for a civil penalty and recommended that Respondents jointly and severally be assessed a civil penalty of \$3,092,580.
11. On August 30, 2023, the ALJ issued a Supplemental Order amending the Initial Decision. In the Supplemental Order, the ALJ found that both Respondents knowingly failed to certify the dehumidifiers and thus knowingly violated 10 C.F.R. § 429.102(a)(1); knew or should have known that they had failed to test the dehumidifiers in accordance with the applicable test requirements in 10 C.F.R. part 430 and thus knowingly violated 10 C.F.R. § 429.102(a)(2); and distributed in commerce in the United States dehumidifiers that they knew or should have known did not comply with the relevant energy conservation standard and thus knowingly violated 10 C.F.R. § 429.102(a)(6).
12. Based on the information above, I find that Respondents knowingly committed Prohibited Acts by knowingly failing to certify covered products, knowingly manufacturing and distributing in commerce covered products that did not comply with the applicable energy conservation standard, and knowingly failing to test those covered products in accordance with the applicable test requirements in 10 C.F.R. part 430. *See* 42 U.S.C. § 6302(a)(5); 10 C.F.R. §§ 429.102(a)(1), (2), and (6).
13. Accordingly, pursuant to 10 C.F.R. § 429.120 and 42 U.S.C. § 6303, I **HEREBY ASSESS** a civil penalty of \$3,092,580 (three million, ninety-two thousand, five hundred and eighty dollars) **AND ORDER** that the August 8 Initial Decision and August 30 Supplemental Order attached to this Order are adopted.

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Samuel T. Walsh  
General Counsel

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<sup>1</sup> The ALJ subsequently assigned OHA Case Number EEE-23-0001 to this civil penalty action.